

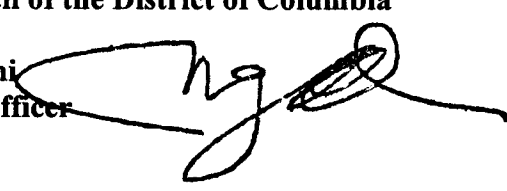
GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: May 23, 2008

SUBJECT: Fiscal Impact Statement: "Solid Waste Disposal Fee Amendment Act of 2008"

REFERENCE: Draft - No Bill Number Available

Conclusion

Funds are sufficient in the FY 2008 budget and FY 2009 through FY 2012 budget and financial plan to implement the provisions of the proposed legislation.

Background

The proposed legislation would amend Section 8-3:606(e)(iv) of the Solid Waste Regulations, issued June 29, 1971,¹ to repeal the requirement that solid waste disposal fee changes are subject to Council review, and maintains the requirement that such fee changes are to be implemented via rulemaking. The intent of the proposed legislation is to allow the Department of Public Works (DPW) to more accurately charge for the cost of transfer station services.

Financial Plan Impact

Funds are sufficient in the FY 2008 budget and FY 2009 through FY 2012 budget and financial plan to implement the provisions of the proposed legislation. Implementation of the proposed legislation would likely generate new revenues that would be deposited into the Solid Waste

¹ Reg. 71-21; 36 DCR 4155

Cost Recovery Special Account ("Special Account"),² which is a non-lapsing dedicated account used to defray the expenses of operating, maintaining, and improving the District's solid waste transfer facilities and is also used to dispose of solid waste delivered to those facilities. The likely increase in revenue to the Special Account would be due to the more expedient implementation of cost-adjusted solid waste disposal fees, as they would no longer require Council approval. DPW has calculated that in FY 2008, were the cost-adjusted fees to be implemented without an estimated two-month Council review period,³ approximately \$10,600 more in revenue would be deposited into the Special Account. Out-year increases to the Special Account would depend on the change to cost-adjusted fees, which could theoretically be adjusted downward.

² As established in Section 6013 of the FY 2008 Budget Support Act of 2007, effective September 18, 2007. D.C. Law 17-20.

³ This is a conservative estimate based on the fact that the fee adjustments are typically calculated in May of each year. DPW expects that future fee adjustments would not typically clear Council review until sometime in the fall.